

RD AN No. 3802 (4279-A)  
November 15, 2002

SUBJECT: Business and Industry Guaranteed Loan Program  
Form 4279-6, "Assignment Guarantee Agreement"

TO: State Directors, Rural Development

ATTN: Business Programs Directors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide guidance concerning Form 4279-6, "Assignment Guarantee Agreement" and the reassignment of the holder's interest.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

There have been recent inquiries and discussion of the reassignment of the holder's interest in the guaranteed portions of Business and Industry (B&I) Guaranteed Loans.

RD Instruction 4279-A, section 4279.75, requires the execution of Form 4279-6 each time a reassignment occurs. Form 4279-6 does not provide for the reassignment of a holder's interest. It is apparent that it has become common practice to use a different instrument to transfer the interest of the holder. While current B&I regulations do not provide for this practice, it would be an overwhelming task to bring the B&I portfolio in line with the regulatory provisions. Therefore, we are pursuing a regulation change to bring the B&I regulations in line with the established practices of the secondary market. However, until such time as the regulatory change becomes effective, any request for

EXPIRATION DATE:  
November 30, 2003

FILING INSTRUCTIONS:  
Preceding RD Instruction 4279-A

payment or repurchase from a holder who has not signed a Form 4279-6 must be handled on a case-by-case basis. Please work with the National Office to resolve such situations.

If you have any questions, please contact the B&I Processing or Servicing Branch, (202) 690-4103.

*(Signed by John Rosso)*

JOHN ROSSO  
Administrator